

PAUL D. BANNING, CHIEF DISBURSING OFFICER,
TREASURY DEPARTMENT

JUNE 19, 1951.—Committed to the Committee of the Whole House and ordered
to be printed

Mr. RODINO, from the Committee on the Judiciary, submitted the
following

REPORT

[To accompany H. R. 3891]

The Committee on the Judiciary, to whom was referred the bill (H. R. 3891) for the relief of Paul D. Banning, Chief Disbursing Officer, Treasury Department, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The purpose of the proposed legislation is that the sum of \$2,625.40 be appropriated, of which amount not to exceed the sum of \$1,641.41 shall be credited in the accounts of Paul D. Banning, Chief Disbursing Officer, Treasury Department; not to exceed the sum of \$207.68 shall be credited in the accounts of E. J. Brennan, former Chief Disbursing Officer, Treasury Department; and not to exceed the sum of \$416.31 shall be credited in the accounts of Guy F. Allen, former Chief Disbursing Officer, Treasury Department, such credits being allowed to adjust certain overdrafts in such accounts.

STATEMENT OF FACTS

This proposed legislation was submitted by the Secretary of the Treasury to the Speaker of the House of Representatives and referred to this committee for consideration.

It is the usual request of the Secretary of the Treasury to effect such adjustments, and after careful study, the Committee recommends favorable consideration to the bill.

The letter from the Secretary of the Treasury is as follows:

TREASURY DEPARTMENT,
Washington, April 24, 1951.

HON. SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D. C.

MY DEAR MR. SPEAKER: There is transmitted herewith for the convenience of the appropriate committee a suggested draft of legislation covering relief for the Chief Disbursing Officer and certain other officers and former officers of this Department for various defects, suspensions, disallowances, and unavailable items in their accounts. The Department has given careful consideration to the various items included in the suggested draft of legislation and recommends in the interest of economy and good fiscal administration that provision be made for clearance of the amounts of same from the fiscal officers' accounts. Such action will not affect further efforts of the Government to make recovery. Available evidence indicates that such officers acted in entire good faith, and that they were not remiss in any respect in the exercise of their official duties. Moreover, the Treasury Department handles several hundred million financial transactions each year and a few errors are inevitable.

SECTION 1. UNAVAILABLE ITEMS REQUIRING APPROPRIATION FROM THE GENERAL FUND OF THE TREASURY

This section would provide an appropriation of \$2,625.40 to cover the following items:

1. Overpayments by Paul D. Banning, Chief Disbursing Officer----- \$1, 641. 41
The details of the items making up the amount of \$1,641.41 are stated in the enclosed exhibit A.
2. Overpayments by E. J. Brennan, former Chief Disbursing Officer----- 207. 68
The details of the items making up the amount of \$207.68 are stated in the enclosed exhibit B.
3. Overpayments by G. F. Allen, former Chief Disbursing Officer----- 416. 31
The details of the items making up the amount of \$416.31 are stated in the enclosed exhibit C.
The foregoing payments were occasioned by clerical errors inadvertently committed by subordinate employees without any fault on the part of the disbursing officers for whom relief is requested. During the periods when the overpayments were made more than a hundred million checks representing billions of dollars were issued each year by the Division of Disbursement and some errors were inevitable.
4. Payments of counterfeit bills----- 360. 00
Each of the following cases represents a claim for reimbursement by an employee in the Office of a Collector of Internal Revenue for the amount paid to a Federal Reserve bank to replace a counterfeit bill or note accepted in the performance of his official duties:
J. W. Bell, cashier in the Office of the Collector of Internal Revenue, Columbia, S. C----- 10. 00
Florence Brown, teller in the Office of the Collector of Internal Revenue, Chicago, Ill----- 10. 00
Rosamond H. Cross, teller in the Office of the Collector of Internal Revenue, Chicago, Ill----- 10. 00
Charles F. DeLisle, teller in the Office of the Collector of Internal Revenue, Detroit, Mich----- 10. 00
William H. Franz, teller in the Office of the Collector of Internal Revenue, Chicago, Ill----- 10. 00
Edward N. Fuller, teller in the Office of the Collector of Internal Revenue, Springfield, Ill----- 10. 00
Raymond C. Hein, window teller in the Office of the Collector of Internal Revenue, Buffalo, N. Y----- 10. 00
Estelle V. Lasich, teller in the Office of the Collector of Internal Revenue, Chicago, Ill----- 10. 00
Mrs. Mae Mohm, teller in the Office of the Collector of Internal Revenue, Milwaukee, Wis----- 10. 00

4. Payments of counterfeit bills—Continued

Mrs. Charlotte Parmentier, teller in the Office of the Collector of Internal Revenue, Milwaukee, Wis-----	\$10. 00
Carolyn E. Phipps, teller in the Office of the Collector of Internal Revenue, Indianapolis, Ind-----	10. 00
Arthur T. Schroeder, window teller in the Office of the Collector of Internal Revenue, Detroit, Mich-----	10. 00
Joseph F. Schuler, teller in the Office of the Collector of Internal Revenue, Chicago, Ill-----	10. 00
Margaret T. Sennott, teller in the Office of the Collector of Internal Revenue, Chicago, Ill-----	10. 00
Mrs. Florence Stetter, cash control clerk in the Office of the Collector of Internal Revenue, Milwaukee, Wis-----	10. 00
Miss Lenora Willsey, window teller in the Office of the Collector of Internal Revenue, Cincinnati, Ohio-----	10. 00
F. H. Bowden, Jr., cashier in the Office of the Collector of Internal Revenue, Jacksonville, Fla-----	20. 00
Gertrude J. Davis, teller in the Office of the Collector of Internal Revenue, Chicago, Ill-----	20. 00
Mary S. Donovan, teller in the Norfolk branch of the Office of the Collector of Internal Revenue, Richmond, Va-----	20. 00
Helen Keegan, teller in the Evanston branch, Office of the Collector of Internal Revenue, Chicago, Ill-----	20. 00
Arthur J. Loucks, teller in the Office of the Collector of Internal Revenue, Cleveland, Ohio-----	20. 00
Helen M. Pietzcker, cashier, Canton division of the Office of the Collector of Internal Revenue, Cleveland, Ohio-----	20. 00
Dorothy Baron Rich, teller in the Office of the Collector of Internal Revenue, Cleveland, Ohio-----	20. 00
J. L. Schrum, cashier in the Office of the Collector of Internal Revenue, Greensboro, N. C-----	20. 00
Harriet Ann Duke, stamp teller in the Office of the Collector of Internal Revenue, Baltimore, Md-----	40. 00

The payments by the foregoing officers for whom relief is requested appear to have been made in good faith and without negligence on their part.

The Department would appreciate it if you would lay the matter before the House of Representatives. A similar communication has been transmitted to the President of the Senate.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

E. H. FOLEY,
Acting Secretary of the Treasury.

EXHIBIT B.—Statement showing detailed information regarding accounting differences stated by the General Accounting Office in the accounts of E. J. Brennan, former Chief Disbursing Officer, Division of Disbursement, Treasury Department, which is considered proper for relief through congressional action

Department or agency	Voucher No.	Payee	Period	Amount	Explanation
Treasury: Bureau of Internal Revenue-----	6-132254	Sarah Mae Hill-----	February 1946--	\$61. 20	Check No. 1,621,598, symbol 206-3160, was erroneously drawn by the Atlanta regional disbursing office on Feb. 23, 1946, to the order of Sarah Mae Hill instead of to Hubert L. Coker, the proper payee. Efforts to collect the overpayment have been unsuccessful and it has developed from thorough investigation that, although Sarah Mae Hill stated it is her intention to make a refund, she is unable to liquidate this indebtedness due to unemployment and lack of financial resources.
Do-----	2-442621	Grace Ray-----	May 1946-----	146. 48	Check No. 7,689,544, symbol 202-3160, was erroneously drawn by the New York regional disbursing office on May 28, 1946, to the order of Grace Ray in payment of an item for Sam Horowitz. Efforts to collect the overpayment have been unsuccessful and inquiries made by the Secret Servi e failed to reveal the present whereabouts of Miss Ray.
Total-----				207. 68	

EXHIBIT C.—Statement showing detailed information regarding accounting differences stated by the General Accounting Office in the accounts of G. F. Allen, former Chief Disbursing Officer, which is considered proper for relief through congressional action

Department or agency	Voucher No.	Payee	Period	Amount	Explanation
Federal Works Agency: Work Projects Administration.	2-280739	William Delker	January 1943....	\$8. 04	Check No. 3,985,994, symbol 63-51-30, was drawn by the New York regional disbursing office on Jan. 20, 1943, to the order of William Delker for \$25.80 in the body of the check and \$17.76 in figures. The check was honored by the Treasurer of the United States through the Federal Reserve Bank of New York on Jan. 25, 1943, for \$25.80. All efforts to secure collection of the overpayment and to locate Mr. Delker have failed.
Agriculture: Agricultural Adjustment Administration.	7-289603	John W. Clark.....	February 1943....	209. 00	Check No. 5,292,002, symbol 78-607, was erroneously drawn by the Chicago regional disbursing office on Feb. 1, 1943, to the order of John W. Clark in payment of an item on voucher No. 7-289603 which authorized payment to John N. Clark. The report of the prosecuting attorney discloses that John W. Clark, 77 years old, and who is unable to read or write, showed the check to relatives and, in the belief that it represented a payment from his son in the Army, made his mark thereon and cashed the check. All efforts to effect collection from John W. Clark have been unsuccessful as his only source of income is his monthly old-age pension check, which is used to pay room and board.
Justice.....	387, 529	Lois Helen Fox.....	August 1943.....	2. 00	Check No. 482,284, symbol 207-450, was drawn by the Washington regional disbursing office to the order of Lois Helen Fox on Aug. 28, 1943, for \$59.45 in payment of an item of \$57.45 on voucher No. 387,529. All attempts by the Department of Justice and this Department to locate Miss Fox have been unsuccessful.
Agriculture: Agricultural Adjustment Administration.	7-135283	Clive E. Etchison.....	October 1943....	104. 53	Check No. 978,701, symbol 107-2340, was drawn by the Chicago regional disbursing office on Oct. 8, 1943, to the order of Clive E. Etchison instead of Oral J. Hallett, the proper payee. Efforts made by the Departments of Agriculture and Treasury to obtain refund from Mr. Etchison, who negotiated the check, have been unsuccessful as he is without financial resources.
Do.....	6-474580	David Whitehead.....	May 1945.....	74. 00	Check No. 6,099,965, symbol 106-2350, was erroneously drawn by the Atlanta regional disbursing office on May 8, 1945, for \$128 to the order of Davis Whitehead, instead of George Williams, the proper payee. Partial refunds totaling \$54 have been made by Davis (or David) Whitehead. Efforts to collect the balance of \$74 have been unsuccessful as Mr. Whitehead is financially unable to liquidate the indebtedness. It appears that the check was drawn to Davis Whitehead, but the payee's correct name is David Whitehead.
Treasury: Bureau of Internal Revenue,	7-56075	Cliff Long.....	August 1945....	18. 74	Check No. 8,016,059, symbol 107-3160, was erroneously drawn on Aug. 8, 1945, by the Chicago regional disbursing office in payment of a tax refund for \$18.74 to the order of Cliff Long instead of to Esther Liebscher, the proper payee. Mr. Long negotiated the check. Repeated efforts by this Department, including the Secret Service, have failed to locate Cliff Long.
Total.....				416. 31	

Date	No.	Particulars	Amount
1894	1	To balance forward	100.00
1895	2	By interest on loan	10.00
1896	3	By interest on loan	10.00
1897	4	By interest on loan	10.00
1898	5	By interest on loan	10.00
1899	6	By interest on loan	10.00
1900	7	By interest on loan	10.00
1901	8	By interest on loan	10.00
1902	9	By interest on loan	10.00
1903	10	By interest on loan	10.00
1904	11	By interest on loan	10.00
1905	12	By interest on loan	10.00
1906	13	By interest on loan	10.00
1907	14	By interest on loan	10.00
1908	15	By interest on loan	10.00
1909	16	By interest on loan	10.00
1910	17	By interest on loan	10.00
1911	18	By interest on loan	10.00
1912	19	By interest on loan	10.00
1913	20	By interest on loan	10.00
1914	21	By interest on loan	10.00

PAUL D. BANKING, TREASURY DEPARTMENT